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MINISTERIAL DECLARATION OF THE GROUP OF 77

UNCTAD IX, Midrand, 28 April 1996

1. We, the Ministers of the Group of 77 and China, met in Midrand, Republic of South Africa, on 28 April 1996. We express our deep appreciation to the Government and people of South Africa for hosting UNCTAD IX and for making arrangements for our Ministerial meeting.

2. We recall that the Group of 77 and China have played a significant role in promoting the interests of the developing countries in various international forums, including UNCTAD. We express our commitment to further enhancing the solidarity and cohesiveness of the Group of 77 and China by establishing more effective and flexible coordination to meet the challenges of development, taking into account the various approaches contained in the different regional Ministerial Declarations of the Group of 77 and China.

3. In recent years, the world economy has experienced far-reaching changes, resulting in part from such complex phenomena as globalization and liberalization. The twin processes of liberalization and globalization are shaping a new system of international economic relations in which the changing patterns of production, investment and trade, the global span of finance and the central role of technology are increasingly dominant. The market mechanism has become the pre-eminent instrument for the allocation of resources but is unable to resolve all existing development challenges.

Many opportunities for growth and development are inherent in these changes. However, developing countries, due in large part to various constraints beyond their control, could well find themselves excluded from full participation in this process and from its benefits.

4. To ensure further policy coherence at the international level, we call for full and effective participation of the developing countries in the process of decision-making and in the resolution of world economic problems through strengthened multilateralism. We also call for the improvement of macroeconomic policy coordination on a global basis aimed at promoting sustained growth and development of the developing countries.

5. We reaffirm the continuing relevance and role of UNCTAD as the principal forum of the United Nations General Assembly for the integrated treatment of development and interrelated issues in the areas of trade, finance, investment, services, commodities, technology, sustainable development and the promotion of international economic relations conducive to development. It should continue its analysis of global interdependence issues. As we approach the new millennium, UNCTAD, as a universal forum for intergovernmental deliberations, negotiations and consensus-building, should be at the forefront of international efforts to promote the development of developing countries, particularly the least developed and small vulnerable economies.

6. In view of the new world realities and challenges, there is a pressing need to reform and revitalize UNCTAD, in both its operational and institutional aspects, so that it may continue to better serve the interests of the developing countries. We should ensure that UNCTAD makes a meaningful contribution to improving the conditions of life of all of our peoples. In this respect, we recognize the need to review the implementation of the policies and decisions of the relevant intergovernmental bodies of the system and promote coordination between UNCTAD and other international organizations, in particular WTO and the Bretton Woods institutions.

7. In devising an appropriate and adequate work programme for UNCTAD, without losing its important global macroeconomic analysis functions, in the coming years the main thrust of UNCTAD's work should be along two complementary axes. From its unique development perspective, UNCTAD should contribute to the preparation of the agenda for future multilateral negotiations. Secondly, it should focus on the delivery of practical services to member States in the field of technical cooperation and advice in such areas as trade, negotiations, commodities, investment promotion, enterprise development, trade and environment, trade efficiency and services.

8. The eradication of poverty in large parts of the developing world, especially in least developed countries, low-income countries and other small vulnerable economies, is an ethical, social, political and economic imperative for the international community. In addition to the necessary national action, it also requires significant international cooperation involving private and public sector institutions. In this respect, UNCTAD should play a decisive role in seeking solutions to the problems of poverty, taking into account the results of the World Summit on Social Development.

9. UNCTAD should continue to analyse the issue of external debt which affects many developing countries with a view to formulating integrated proposals for these countries in order to find comprehensive and durable solutions to debt and debt service problems aimed at accelerating their economic growth and development. UNCTAD should also reinforce technical cooperation in this matter.

10. We affirm the importance of open and flexible economic cooperation among developing countries (ECDC) in all its forms, modalities, and geographic scopes as a strategy of growth and development.

11. The Uruguay Round Agreements and the establishment of the World Trade Organization (WTO) have boosted confidence in the multilateral trading system. However, its credibility and sustainability are being threatened by emerging recourse to unilateral and extraterritorial measures. Environmental and social conditionalities should not constitute new obstacles to market access for developing countries.

12. We express our deep concern at the continuing use of coercive economic measures against developing countries, through, inter alia, unilateral economic and trade sanctions which are in clear contradiction with international law. In this respect, we object to the new attempts aimed at extra-territorial application of domestic law, which constitute a flagrant violation of the United Nations Charter and of WTO rules.

13. We call for a renewed political commitment to free trade and agree that the Uruguay Round Agreements should be fully implemented in letter and spirit. The universality of the WTO, which is of great importance to strengthening and improving the multilateral trading system, must also be realized as soon as possible. Moreover, developing countries seeking accession to the WTO and/or those which are in the early stages of their integration into the international trading system should be given the opportunity to achieve accession on balanced terms consistent with WTO rules, as well as the level of their economic development, trade, and financial and developmental needs.

14. We call on the Conference to make positive contributions to the Singapore Ministerial Meeting of the WTO due to be held in December 1996 by transmitting its assessment of challenges and opportunities arising from the Uruguay Round Agreements from a development perspective. This should include, inter alia, new and emerging issues seen from the same perspective in order to ensure that the benefits of the evolving multilateral trading system promotes sustained economic growth and sustainable development by including further trade liberalization in the areas of interest to developing countries.

15. The present situation calls for real partnership and promotion of international cooperation to harness the positive impulses of globalization and liberalization and to forestall the negative implications. UNCTAD IX provides an exceptional opportunity to reinvigorate the dialogue on development and international economic cooperation with a view to revitalizing the development of developing countries through a genuine partnership. All Governments should spare no effort to seize the opportunity of forging a real global partnership aimed at ensuring international peace and development.

16. The international community should promote concrete policies, measures and actions to achieve the objectives of sustained growth and sustainable development. We reiterate, once again, our commitment to the objectives of international peace and development, underlining our conviction that no peace can be achieved without development.

17. We trust that the spirit of South Africa will inspire the continuous and constructive dialogue between all member States of UNCTAD with the ultimate objective of achieving equitable and sustainable development and prosperity for all.